

A Bipartisan Victory for Servicemembers

Issa Joins Cummings to Hold Banks Accountable for Foreclosure Abuses Against Active-Duty Military

(Washington, DC) – At today’s Oversight Committee hearing with Professor Elizabeth Warren, Ranking Member Elijah E. Cummings moved to subpoena mortgage servicing companies that have engaged in illegal foreclosures and other abuses against U.S. servicemembers in violation of federal law.

For the last six months, Cummings has aggressively pursued illegal foreclosures, inflated fees, and other abuses by mortgage servicers. Cummings released an investigative report on Tuesday about the growing problem of illegal foreclosures against U.S. servicemembers.

With the support of all Democratic Members in attendance, Ranking Member Cummings made the case for a thorough, comprehensive review of these problems.

After suspending the hearing and consulting with staff, Chairman Darrell Issa offered to join Ranking Member Cummings in sending official document requests on behalf of the Committee to ten of the nation’s largest mortgage servicing companies, seeking internal audits, reports, communications, and emails relating to abuses affecting U.S. servicemembers.

“I am encouraged that the Chairman agreed to join me in this bipartisan effort to hold the mortgage servicing companies accountable for widespread abuses against our men and women in uniform,” Cummings said. “We owe it to our servicemembers to conduct a thorough investigation into these widespread, systemic, and growing problems.”

Here is what the banks will be asked to provide to the Committee:

All records in unredacted form described below for the time period from January 1, 2006, to the present:

1. All documents, including emails, relating to internal investigations, audits, and reviews conducted by or on behalf of your organization relating to foreclosure policies, procedures, or practices involving or regarding U.S. servicemembers or the Servicemembers Civil Relief Act.
2. All documents, including emails, relating to instances in which your organization sent foreclosure notices to active duty U.S. servicemembers.

3. All documents, including emails, relating to instances in which your organization charged improper fees or interest rates to active duty U.S. servicemembers.